



**Public Hearing Testimony of
Sharon Palmer, Commissioner
Department of Labor
Labor and Public Employees Committee
February 26, 2013**

Good Afternoon Senator Osten, Representative Tercyak, Senator Markley, Representative Smith and members of the Labor and Public Employees Committee. Thank you for the opportunity to provide you with testimony regarding **House Bill 6451, AA Improving the Timeliness and Efficiency of the Department of Labor's Unemployment Insurance Tax Operations**. My name is Sharon Palmer and I am the Labor Commissioner.

I am here to speak in support of this bill. This bill will assist the Department in improving its operating efficiency by requiring employers to 1) pay a fee of \$50 if a tax and wage report is submitted by an entity that is not properly registered and 2) pay a \$100 penalty for failure to notify the department in writing within 15 days upon becoming an employer subject to the act or upon acquiring any part of the assets, organization, trade or business of another employer.

All states are mandated by the US Department of Labor to report on various Tax Division activities as part of a national Tax Performance System. Two such activities are timeliness of registration of new employers and timeliness of registration of successor employers. While still at or above the national average, our statistical measures have declined where we are in danger of jeopardizing our potential funding by not exceeding these core measures. By instituting these notice requirements and fees/penalties for non-compliance, we expect to significantly improve the timeliness of employer registrations.

Thank you for this opportunity to provide testimony here today. I am available to answer any questions you may have.